

institutional charges are generally assessed (i.e., length of the student's course, program, or academic year.)

Qualified student loan. The term *qualified student loan* means any loan made, insured, or guaranteed pursuant to title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 *et seq.*), other than a loan to a parent of a student pursuant to section 428B of such Act (20 U.S.C. 1078–2), any loan made pursuant to title VII or VIII of the Public Service Health Act (42 U.S.C. 292a *et seq.*), or any other loan designated as such by Congress. This includes, but is not necessarily limited to, the following:

(1) *Federal Family Education Loans.* (i) Subsidized and Unsubsidized Stafford Loans.

(ii) Supplemental Loans to Students (SLS).

(iii) Federal Consolidation Loans.

(iv) Guaranteed Student Loans (predecessor to Stafford Loans).

(v) Federally Insured Student Loans (FISL).

(2) *William D. Ford Federal Direct Loans.* (i) Direct Subsidized and Unsubsidized Stafford Loans.

(ii) Direct Subsidized and Unsubsidized Ford Loans.

(iii) Direct Consolidation Loans.

(3) *Federal Perkins Loans.* (i) National Direct Student Loans.

(ii) National Defense Student Loans.

(4) *Public Health Service Act Loans.* (i) Health Education Assistance Loans (HEAL).

(ii) Health Professions Student Loans (HPSL).

(iii) Loans for Disadvantaged Students (LDS).

(iv) Nursing Student Loans (NSL).

(v) Primary Care Loans (PCL).

Term of service. The term *term of service* means—

(1) For AmeriCorps participants other than VISTA volunteers, any of the terms of service specified in § 2522.220 of this chapter; and

(2) For VISTA volunteers, not less than a full year of service as a VISTA volunteer.

[59 FR 30711, June 15, 1994 as amended at 64 FR 37414, July 12, 1999; 65 FR 77821, Dec. 13, 2000; 67 FR 45360, July 9, 2002]

PART 2526—ELIGIBILITY FOR AN EDUCATION AWARD

Sec.

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AUTHORITY: 42 U.S.C. 12601–12604.

SOURCE: 59 FR 30711, June 15, 1994, unless otherwise noted.

§ 2526.10 Who is eligible to receive an education award from the National Service Trust?

(a) *General.* An individual is eligible to receive an education award from the National Service Trust if the individual—

(1) Is a citizen, national, or lawful permanent resident alien of the United States;

(2) Is either at least 17 years of age at the commencement of service or is an out-of-school youth 16 years of age at the commencement of service participating in a program described in § 2522.110(b)(3) or (g) of this chapter;

(3) Successfully completes a term of service in an approved national service position.

(b) *High school diploma or equivalent.* To use an education award, an individual must—

(1) Have received a high school diploma or its equivalent; or

(2) Be enrolled at an institution of higher education on the basis of meeting the standard described in paragraph (1) or (2) of subsection (a) of section 484 of the Higher Education Act of

1965 (20 U.S.C. 1091) and meet the requirements of subsection of section 484; or

(3) Have received a waiver described in § 2522.200(b) of this chapter.

(c) *Written declaration regarding high school diploma sufficient for disbursement.* For purposes of disbursing an education award, if an individual provides a written declaration under penalty of law that he or she meets the requirements in paragraph (b) of this section relating to high school education, no additional documentation is needed.

(d) *Prohibition on duplicate benefits.* An individual who receives a post-service benefit in lieu of an education award may not receive an education award for the same term of service.

(e) *Penalties for false information.* Any individual who makes a materially false statement or representation in connection with the approval or disbursement of an education award or other payment from the National Service Trust may be liable for the recovery of funds and subject to civil and criminal sanctions.

[64 FR 37414, July 12, 1999, as amended at 67 FR 45361, July 9, 2002]

§ 2526.20 Is an AmeriCorps participant who does not complete an originally-approved term of service eligible to receive a pro-rated education award?

(a) *Compelling personal circumstances.* A participant who is released prior to completing an originally-approved term of service for compelling personal circumstances and who completes at least 15 percent of the originally-approved term of service is eligible for a pro-rated education award.

(b) *Release for cause.* A participant who is released prior to completing an originally-approved term of service for cause is not eligible for any portion of an education award.

[64 FR 37415, July 12, 1999]

§ 2526.30 How do convictions for the possession or sale of controlled substances affect an education award recipient's ability to use that award?

(a) Except as provided in paragraph (b) of this section, a recipient of an education award who is convicted

under pertinent Federal or State law of the possession or sale of a controlled substance is not eligible to use his or her education award from the date of the conviction until the end of a specified time period, which is determined based on the type of conviction as follows:

(1) For conviction of the possession of a controlled substance, the ineligibility periods are—

(i) One year for a first conviction;

(ii) Two years for a second conviction; and

(iii) For a third or subsequent conviction, indefinitely, as determined by the Corporation according to the following factors—

(A) Type of controlled substance;

(B) Amount of controlled substance;

(C) Whether firearms or other dangerous weapons were involved in the offense;

(D) Nature and extent of any other criminal record;

(E) Nature and extent of any involvement in trafficking of controlled substances;

(F) Length of time between offenses;

(G) Employment history;

(H) Service to the community;

(I) Recommendations from community members and local officials, including experts in substance abuse and treatment; and

(J) Any other relevant aggravating or ameliorating circumstances.

(2) For conviction of the sale of a controlled substance, the ineligibility periods are—

(i) Two years for a first conviction; and

(ii) Two years plus such additional time as the Corporation determines as appropriate for second and subsequent convictions, based on the factors set forth in paragraphs (a)(1)(iii) (A) through (J) of this section.

(b) (1) If the Corporation determines that an individual who has had his or her eligibility to use the education award suspended pursuant to paragraph (a) of this section has successfully completed a legitimate drug rehabilitation program, or in the case of a first conviction that the individual has

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enrolled in a legitimate drug rehabilitation program, the individual's eligibility to use the education award will be restored.

(2) In order for the Corporation to determine that the requirements of paragraph (b)(1) of this section have been met—

(i) The drug rehabilitation program must be recognized as legitimate by appropriate Federal, State or local authorities; and

(ii) The individual's enrollment in or successful completion of the legitimate drug rehabilitation program must be certified by an appropriate official of that program.

[59 FR 30711, June 15, 1994. Redesignated at 64 FR 37415, July 12, 1999]

§ 2526.40 What is the time period during which an individual must use an education award?

(a) *General requirement.* An individual must use an education award within seven years of the date on which the individual successfully completes a term of service, unless the individual applies for and receives an extension in accordance with the requirements of paragraph (b) of this section.

(b) *Extensions.* In order to receive an extension of the seven-year time period for using an education award, an individual must apply to the Corporation for an extension prior to the end of that time period. The Corporation will grant an application for an extension under the following circumstances:

(1) If the Corporation determines that an individual was performing another term of service in an approved AmeriCorps position during the seven-year period, the Corporation will grant an extension for a time period that is equivalent to the time period during which the individual was performing the other term of service.

(2) If the Corporation determines that an individual was unavoidably prevented from using the education award during the seven-year period, the Corporation will grant an extension for a period of time that the Corporation deems appropriate. An individual who is ineligible to use an education award as a result of the individual's conviction of the possession or sale of a controlled substance is not

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considered to be unavoidably prevented from using the education award for the purposes of this paragraph.

[59 FR 30711, June 15, 1994. Redesignated and amended at 64 FR 37415, July 12, 1999]

§ 2526.50 Is there a limit on the number of education awards an individual may receive?

(a) *First and second terms of service.* An individual may receive an education award for only the first and second terms of service for which an education award is available, regardless of the length of the term.

(b) *Release for cause.* Except as provided in paragraph (c) of this section, a term of service from which an individual is released for cause counts as one of the two terms of service for which an individual may receive an education award.

(c) *Early release.* If a participant is released for reasons other than misconduct prior to completing fifteen percent of a term of service, the term will not be considered one of the two terms of service for which an individual may receive an education award.

[64 FR 37415, July 12, 1999]

§ 2526.60 May an individual receive an education award and related interest benefits from the National Service Trust as well as other loan cancellation benefits for the same service?

No. An individual may not receive an education award and related interest benefits from the National Service Trust for a term of service and have that same service credited toward repayment, discharge, or cancellation of other student loans.

[64 FR 37415, July 12, 1999]

PART 2527—DETERMINING THE AMOUNT OF AN EDUCATION AWARD

AUTHORITY: 42 U.S.C. 12601–12604.

SOURCE: 64 FR 37415, July 12, 1999, unless otherwise noted.